

EXHIBIT E

Google goes to court to defend its ranking methods

By Juan Carlos Perez, IDG News Service

Google will try to convince a judge on Friday to dismiss a lawsuit that challenges the heart of the company's business: its methods for indexing and ranking Web pages.

In March, Google was sued by KinderStart.com, which alleges it suffered crippling financial harm after its Web site got dropped from the search engine's index.

The case reflects the enormous impact of search engines on the business world at large. It has become crucial for many businesses to rank well in search engine results. An entire industry has sprouted to serve this "search engine optimization" need.

As the world's most popular search engine, Google wields the strongest influence. Having a Web site that ranks low or disappears altogether from the Google index can have devastating effects for a company. This is what KinderStart.com alleges happened to it.

"It's a very important case for many reasons. Everyone uses search engines, so the question is: Are you seeing true and faithful results?" said Gregory Yu, KinderStart.com's attorney.

"Google shouldn't have completely free range to be able to remove sites or hit them with a zero PageRank," he added, referring to the patented technology at the heart of Google's algorithmic ranking.

KinderStart.com is charging Google, among other things, with violating its right to free speech; illegally using a monopoly position to harm competitors; engaging in unfair practices and competition; committing defamation and libel; and violating the Federal Communications Act. The Web publisher seeks a class action certification for the lawsuit, damages and injunctive relief, among other things.

In motions filed in May, Google argues that Judge Jeremy Fogel, of the U.S. District Court for the Northern District of California, San Jose Division, should dismiss the lawsuit, saying that the case boils down to one essential question: Should search engines or should courts determine Web sites' relevancy? "If KinderStart were right ... neither Google nor any other search engine could operate, as it would constantly face lawsuits from businesses seeking more favorable positioning," Google's motion reads.

Google also asks the judge to strike three of the suit's counts, alleging they violate Google's exercise of free speech in connection with a public issue. This is prohibited under a California law called the Anti-SLAPP statute, Google argues.

KinderStart.com, based in Norwalk, Calif., began publishing a Web site for parents of children under 7 years old in May 2000 and in 2003 the site joined Google's AdSense ad network, according to the complaint. Yet, starting in March and April 2005, the Web site suffered a "cataclysmic" fall in traffic of about 70 percent and a drop in AdSense revenue of about 80 percent, from which it hasn't recovered, and which the company blames on its removal from the Google index.

KinderStart.com claims it has never been notified by phone, mail or in person of the reason for its Web site's exclusion. Google states in its Web site that it reserves the right to remove Web sites from its index for various reasons. KinderStart.com states it hasn't knowingly violated any of Google's webmaster guidelines.

In February, Google decided to remove the German Web site of car maker BMW for allegedly trying to deceive its search robot to gain higher placement. Days later Google reincorporated the site to its index, saying BMW had undone the offending changes, although BMW never admitted any wrongdoing